

UPS Expands "Green Fleet" With 306 Alternative Fuel Vehicles

Also Launches Biodiesel Initiative at Worldport Air Hub

[\(CSRwire\)](#) ATLANTA - October 8, 2007 - UPS (NYSE:UPS) today announced it was adding 306 alternative fuel vehicles to its "green fleet" by placing an order for 167 Compressed Natural Gas (CNG) delivery trucks while taking delivery of 139 new propane delivery trucks in North America. Additionally, the company has launched an initiative to use biodiesel fuel in its ground support vehicles at the UPS Worldport® air hub in Louisville.

The CNG trucks will be deployed early next year in Dallas, Atlanta and four California cities -- Los Angeles, Ontario, San Ramon and Fresno. They will join more than 800 such vehicles already in use in the United States. The propane vehicles are joining nearly 600 propane trucks already operating in Canada and Mexico.

"While there's a great deal of interest in the research we're doing with new types of hybrids, 70 years of testing alternative fuel vehicles has taught us there are multiple technologies that can effectively reduce our dependence on fossil fuels as well as our carbon footprint," said Robert Hall, UPS's director of vehicle engineering. "Adding this many propane and CNG vehicles is going to have a very positive impact."

UPS's global alternative-fuel fleet now stands at 1,629 vehicles -- the largest such private fleet in the transportation industry - and includes CNG, liquefied natural gas, propane and electric and hybrid electric vehicles. The company also is working with the Environmental Protection Agency on a hydraulic hybrid delivery vehicle.

The propane and CNG trucks currently in the UPS fleet were converted from

gasoline and diesel vehicles in the 1980s to run on alternative fuels. The new trucks are originally manufactured for alternative fuel use.

The chassis for the CNG trucks are being purchased in two sizes from Freightliner Custom Chassis Corporation. The trucks will feature engines from Cummins Westport that are expected to yield a 20 percent emissions reduction and 10 percent improvement in fuel economy over the cleanest diesel engines available in the market today. The truck bodies will be identical externally to the signature-brown trucks that now comprise the UPS fleet and will be marked as CNG vehicles.

The new propane-powered vehicles were manufactured by Workhorse Custom Chassis and feature the latest technology in clean-burning propane engines provided by Baytech Corporation. Propane vehicles emit about one-third fewer reactive organic gases than gasoline-fueled vehicles. Nitrogen oxide and carbon monoxide emissions also are 20 percent and 60 percent less, respectively, than conventional vehicles.

The UPS propane vehicles will run on liquefied petroleum gas (LPG) provided at eight on-site fueling stations at UPS facilities in Canada. LPG is derived from petroleum during oil or natural gas processing and is cleaner-burning than regular gasoline.

The biodiesel initiative in Louisville is being launched with the support of a \$515,000 federal grant that is helping offset some of the cost of building a fuel infrastructure at the airport. The infrastructure will provide a 5 percent biodiesel blend of fuel to run 366 ground support vehicles starting early next year.

Biodiesel is a clean-burning diesel replacement fuel that can be used in compression-ignition engines. It is manufactured from U.S.-produced oils such as

soybean oil, recycled cooking oils or animal fats. The use of biodiesel reduces particulate matter, carbon emissions and volatile organic compounds.

UPS, which just celebrated its 100th anniversary, began deploying alternative fuel vehicles in the 1930s with a fleet of electric trucks that operated in New York City. The company's "green fleet" has traveled 126 million miles just since 2000.

While continuing to develop its alternative fuel fleet -- UPS already has invested more than \$15 million in the effort -- the company also has purchased and is operating nearly 20,000 low-emission conventional vehicles. These vehicles have regular gas- and diesel-powered engines but employ the very latest technology and manufacturing techniques to reduce emissions as much as possible.

"Deploying alternative fuel vehicles and exploring renewable energy sources like biodiesel are just two of the many ways UPS actively pursues its commitment to sustainable business practices," said Hall. "We have always believed that working green and working smart are synonymous."

UPS pursues a wide range of socially responsible and sustainable business practices designed to reduce our impact on the environment and improve communities around the world. UPS is included in the Dow Jones and FTSE4Good Sustainability Indexes, which evaluate corporations based on economic, environmental and social criteria. Learn more about UPS's responsible business practices at www.sustainability.ups.com.